

STATE OF NEVADA DEPARTMENT OF TAXATION

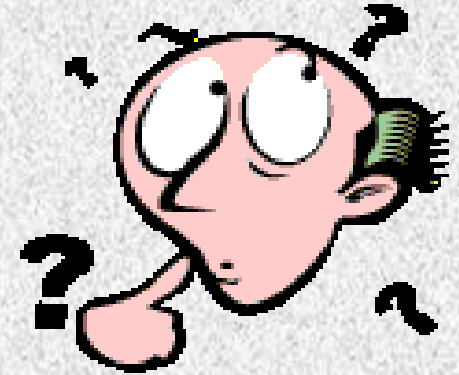
ASK THE ADVISORS BASIC TAX ACADEMY



MISSION STATEMENT

- To provide fair, efficient and effective administration of tax programs for the State of Nevada in accordance with applicable statutes, regulations and policies.
- To serve the taxpayers, state and local government entities...

Why am I here today?



To Learn About:

Taxes!

Business Registration Requirements

Streamlined Agreement

Payments & Filing Returns

Audit Process

Electronic Filing Requirements

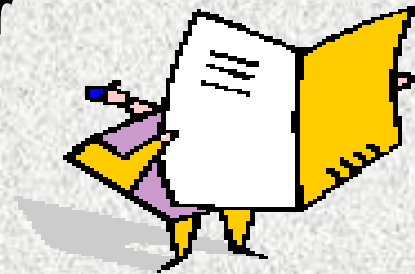
General Questions and Clarifications

2013 legislative bills affecting taxation

TAXPAYERS' BILL OF RIGHTS

A publication containing the Bill of Rights for Taxpayers is provided:

- **When you register with the Department**
- **If the business is audited, or**
- **Upon request**



Licenses & Permits

- The **Nevada Business Registration form** (NBR) and the **Supplemental form** are required to obtain a sales or use tax permit for your business in the State of Nevada
- Retailers pay a \$15.00 **sales tax permit** fee for each business location. This is a one time fee only unless there is a change in ownership or location.
- Taxpayers registering as a **consumer** (no retail sales) are not required to pay a permit fee.

SALES TAX ~ SECURITY DEPOSITS

Retailers must also deposit with the Department a security deposit as follows:

- ✓ **Quarterly Filers:** **Twice** the estimated average tax due **quarterly**
- ✓ **Monthly Filers:** **Three** times the estimated tax due monthly if the retailer files **monthly**
- ✓ **Annual Filers:** **Four** times the estimated **annual** amount if the retailer files annually.

Calculated tax LESS than \$1,000:

NO DEPOSIT REQUIRED!

After three full years of perfect reporting, you may apply for a waiver of the security requirement

NRS 372.510

NEVADA BUSINESS REGISTRATION

Please see instructions regarding form detail and online registration options.

1	I Am Applying For:		<input type="checkbox"/> Unemployment Insurance (Employment Security Division - ESD)	<input type="checkbox"/> Sales/Use Tax Permit (Department of Taxation)	<input type="checkbox"/> Modified Business Tax	<input type="checkbox"/> Local Business License
2	<input type="checkbox"/> New Business		<input type="checkbox"/> Change in Ownership/ Business Entity <input type="checkbox"/> Change in Corporate Officers <input type="checkbox"/> Change in Name			
3	Business Entity Type:		<input type="checkbox"/> Sole Proprietor <input type="checkbox"/> Association <input type="checkbox"/> LLLP <input type="checkbox"/> Limited Liability Partnership <input type="checkbox"/> Government Entity <input type="checkbox"/> Corporation <input type="checkbox"/> Limited Partnership <input type="checkbox"/> Partnership <input type="checkbox"/> Limited Liability Company <input type="checkbox"/> Other			
3A	If LLC please check Federal tax filing type		<input type="checkbox"/> Corporation <input type="checkbox"/> Sole Proprietor <input type="checkbox"/> Partnership			
4	Corporate/Entity Name (as shown on State Business License):		Corporate/Entity Telephone ()		5 Federal Tax Identification Number	
6	Corporate/Entity Address:		Street Number, Direction (N, S, E, W) and Name Suite, Unit or Apt # City, State, and Zip Code +4		State of Incorporation or Formation	
7	Nevada Name (DBA):		Business Telephone ()		Fax ()	
8	E-mail Address:		Website Address:		9 Nevada Business Identification #: (11 digits) NV	
10	Mailing Address:		Street Number, Direction (N, S, E, W) and Name Suite, Unit or Apt # City, State, and Zip Code +4			
11	Location(s) of Nevada Business Operations:		Street Number, Direction (N, S, E, W) and Name Suite, Unit or Apt # City, State, and Zip Code +4			
12	Location of Business Records:		Street Number, Direction (N, S, E, W) and Name Suite, Unit or Apt # City, State, and Zip Code +4		Telephone Number: ()	
13	List All Owners, Partners, Corporate Officers, Managers, Members, etc. (If individual ownership, list only one owner.) Attach Additional Sheets if Needed. ** The Department of Taxation & Employment Security Division are the only agencies to require a SSN.					
	Last, First, MI:		Residence Address (Street):		**SSN Date of Birth	
	Title		Percent Owned		City, State, Zip +4 Residence Telephone	
	Last, First, MI:		Residence Address (Street):		**SSN Date of Birth	
	Title		Percent Owned		City, State, Zip +4 Residence Telephone	
	Last, First, MI:		Residence Address (Street):		**SSN Date of Birth	
	Title		Percent Owned		City, State, Zip +4 Residence Telephone	
	Responsible Local Contact (Last, First, MI & Title):		Residence Address (Street): City, State, Zip +4		**SSN Residence Telephone	
14	Date Business Started in Nevada		Date Nevada Location Opened		Date First Worker Hired in Nevada	
	Date First Nevada Payroll		Amount of First Nevada Payroll		Number of Employees	
15	PLEASE CHECK ALL THAT APPLY TO YOUR BUSINESS					
	<input type="checkbox"/> Mining <input type="checkbox"/> Domestic <input type="checkbox"/> Outside Dining <input type="checkbox"/> Water Appropriation <input type="checkbox"/> Adult Materials/Activity <input type="checkbox"/> Amusement Machines <input type="checkbox"/> Registered Agent <input type="checkbox"/> Service <input type="checkbox"/> Agriculture <input type="checkbox"/> Home Occupation <input type="checkbox"/> Hazardous Material <input type="checkbox"/> Leased or Leasing Employees <input type="checkbox"/> Alcohol <input type="checkbox"/> Financial Institutions <input type="checkbox"/> Tobacco <input type="checkbox"/> Manufacturing <input type="checkbox"/> Retail Sales—New <input type="checkbox"/> Construction/Erection <input type="checkbox"/> Leasing (Other than Employees) <input type="checkbox"/> Gaming <input type="checkbox"/> Mortgage Brokers <input type="checkbox"/> Delivery <input type="checkbox"/> Transportation <input type="checkbox"/> Retail Sales—Used <input type="checkbox"/> Tire Sales <input type="checkbox"/> Supply/Use Temporary Workers <input type="checkbox"/> Health Services <input type="checkbox"/> Banker <input type="checkbox"/> Wholesale <input type="checkbox"/> Not for Profit <input type="checkbox"/> Live Entertainment <input type="checkbox"/> Environmental Discharge <input type="checkbox"/> Regulated by Federal/State Permit Number <input type="checkbox"/> Other					
16	Describe in Detail the Nature of Your Business in Nevada. Include Product Sold, Labor Performed and/or Services Rendered. State the approximate percentage of sales or revenues resulting from each item. Example: Retail sale of major appliances to public 80%; repair 40%.					
17	If You Have Acquired A Nevada Business, Changed Ownership/Business Entity, or Have a New Federal Tax Number, Complete This Section:					
	Date Acquired/Changed:		Acquired/Changed by: <input type="checkbox"/> Purchase <input type="checkbox"/> Lease <input type="checkbox"/> Other		Portion Acquired/Changed: <input type="checkbox"/> In Whole <input type="checkbox"/> In Part	
	Name(s) of Previous Owner(s)		Previous Owner(s) Business Name			
	Address (Street)		City		State Zip Code +4	
	Enter Your Previous Nevada Sales/Use Tax Permit Number, if applicable:		Enter Previous Owner(s) ESD Account Number:			
18	* Signatures must be that of a responsible party *					
	I declare under penalty of perjury that the information provided is true, correct and complete to the best of my knowledge and belief and acknowledge that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing.					
	*Signature Responsible Party / Original		Print Name And Title		Date	
	*Signature Responsible Party / Original		Print Name And Title		Date	

ORIGINAL SIGNATURES REQUIRED BY AGENCIES - KEEP A COPY FOR YOUR RECORDS

NEVADA DEPARTMENT OF TAXATION
SUPPLEMENTAL REGISTRATIONPlease print clearly — Use black or blue ink only
Please mark applicable type(s) (See Instructions)**For Department Use Only**

TID: _____

Dept. of Taxation Representative accepting application: _____

☐ Sales/Use Permit ☐ Consumer Use Tax Permit ☐ Certificate of Authority ☐ Live Entertainment Tax

1.	DBA (as shown on the Nevada Business Registration Form): _____		
2.	Business telephone number: _____	3.	List STATE of Incorporation or formation if applicable: _____
FEES AND SECURITY DEPOSIT			
4.	Estimated total monthly receipts: _____		
5.	Estimated total Nevada monthly TAXABLE receipts: _____	6.	
7.	Reporting cycle (check choice of reporting) Sales Tax Accounts with over \$10,000 a month in TAXABLE sales must report monthly.		
	Sales/Use Tax	Monthly <input type="checkbox"/>	Quarterly <input type="checkbox"/>
	Use Tax	<input type="checkbox"/>	Annual <input type="checkbox"/>
	Live Entertainment Tax	Occupancy <input type="checkbox"/> 200 to 7,499 <input type="checkbox"/> 7,500 or More	
8.	Security (See Instructions) <input type="checkbox"/> Cash \$ _____ <input type="checkbox"/> Surety # _____		
9.	Sales Tax Fee (See instructions): _____	10.	Total Nevada Business Locations: _____

11. OTHER INFORMATION		
Name of spouse/relative	Address of spouse/relative	Phone number of spouse/relative
_____	_____	_____
Name of other contact	Address of other contact	Phone number of other contact
_____	_____	_____
Accountant/bookkeeper	Address of accountant/bookkeeper	Phone number of accountant/bookkeeper
_____	_____	_____
Other employment (if applicable):		
Company name: _____		Company name: _____
Name of bank/financial institution — location / account number:		
Business account: _____		
Personal account: _____		

FOR DEPARTMENT USE ONLYST/UT No.: _____ MBT No.: _____
Combine Accts: ☐ Yes ☐ No Previous Acct: _____ Previous Acct Cancelled: ☐ Yes ☐ No
Comments: _____
☐ Cash ☐ Check ABA #: _____ Bank: _____ Branch: _____**For an Introduction to the Department and general information, see our Taxpayer Information Packet Online at www.tax.state.nv.us **

Electronic Filing Requirements

All payments of money for taxes, interest, penalties or other obligations in the aggregate amount to \$10,000 or more MUST be made by electronic transfer

For more information and to register and pay your taxes, go to:

<https://www.nevadatax.nv.gov/web>

Rates effective 7/1/2013

- expire 6/30/2015 (SB 475)

New Tax Rates by County

Churchill – 7.600%	Clark – 8.100%
Douglas – 7.100%	Elko – 6.850%
Esmeralda – 6.850%	Eureka – 6.850%
Humboldt – 6.850%	Lander – 7.100%
Lincoln – 7.100%	Lyon – 7.100%
Mineral – 6.850%	Nye – 7.100%
Carson City – 7.475%	Pershing – 7.100%
Storey – 7.600%	Washoe – 7.725%
White Pine – 7.725%	

**Nevada's Sales & Use Tax
rates vary by county.**

**Taxes are applied in the
county the transaction
takes place, or the county
the delivery is made.**

Nevada's Largest Cities

Las Vegas * Clark Co. * 8.1%

Henderson * Clark Co. * 8.1%

Reno * Washoe Co. * 7.725%

Laughlin * Clark Co. * 8.1%

Stateline (Tahoe) * Douglas Co * 7.1%

Carson City * Carson Co. * 7.475%

**NOTE: Nye County tax
rate will increase to
7.60% effective 4/1/2014**

SALES TAX RETURN

- Reporting frequency is **monthly**. The tax is due and payable on or before the last day of the next month.
- If a business has sales of less than \$10,000 per month, then the filing frequency may be **quarterly**.
- If a retailer had sales of less than \$1,500 in the immediate preceding year they may request their filing frequency to be changed to **annually**.
- Retailers are allowed an allowance of 0.25% of the taxes collected for the cost of collecting the tax only if they file their return timely. This is referred to as a collection allowance.

NRS 372.370

NRS 372.380

COMBINED SALES & USE TAX RETURN

This form is a universal form that will calculate tax, interest and penalty for the appropriate periods if used on-line.

Note all counties are listed with their current tax rates. Sales shipped to different counties are to be reported on the appropriate county line.

NEVADA DEPARTMENT OF TAXATION
COMBINED SALES AND USE TAX RETURN

This return is for use by sellers of tangible personal property if you are not a seller or no longer sell, you must notify the Department of Taxation.

MAIL ORIGINAL TO: STATE OF NEVADA - SALES/USE
PO BOX 12609
PHOENIX AZ 85067-2609

TID No.001-TX- 1000000000 - 001

For Department Use Only

Return for month Ending 03/31/13
Due on or before 04/30/13
Date paid 04/25/13

IF POSTMARKED AFTER DUE DATE, PENALTY AND INTEREST WILL APPLY

A RETURN MUST BE FILED EVEN IF NO SALES AND/OR USE TAX LIABILITY EXISTS

TAX CALCULATION FORMULA	SALES TAX					USE TAX		
	TOTAL SALES COLUMN A	EXEMPT SALES COLUMN B	TAXABLE SALES COLUMN C	TAX RATE COLUMN D	CALCULATED TAX COLUMN E	AMOUNT SUBJECT TO USE TAX COLUMN F	TAX RATE COLUMN G	CALCULATED TAX COLUMN H
01 CHURCHILL				7.800%			7.800%	
02 CLARK	4,525.11	400.00	4,125.11	8.100%	334.13	2,500.00	8.100%	202.50
03 DOUGLAS				7.100%			7.100%	
04 ELKO				8.850%			8.850%	
05 ESMERALDA	350.00		350.00	8.850%	23.98		8.850%	
06 EUREKA				8.850%			8.850%	
07 HUMBOLDT				8.850%			8.850%	
08 LAMAR	25.00		25.00	7.100%	1.78		7.100%	
09 LINCOLN				7.100%			7.100%	
10 LYON				7.100%			7.100%	
11 MINERAL				8.850%			8.850%	
12 MYTE				7.100%			7.100%	
13 CARBON CITY	1,511.00		1,511.00	7.475%	112.95		7.475%	
14 PERSHING				7.100%			7.100%	
15 STOREY				7.800%			7.800%	
16 WASHOE	3,250.18		3,250.18	7.725%	251.08		7.725%	
17 WHITE PINE				7.725%			7.725%	
TOTALS	9,661.29	400.00	9,261.29			2,500.00		202.50

18. TOTAL CALCULATED SALES (LINE 18a) AND USE (LINE 18b) TAX SUM OF COLUMN E 18a. 723.92 SUM OF COLUMN H 18b. 202.50

19. ENTER COLLECTION ALLOWANCE FOR TIMELY FILING (LINE 18a x 0.25% or 0.0025) 1.81

20. NET SALES TAX (LINE 18a - LINE 19) 722.11

21. NET SALES AND USE TAX (LINE 20 + LINE 18b) 924.61

22. PENALTY (LINE 21 x 0%)

23. INTEREST (See Instructions for current rate and calculation)

24. PLUS LIABILITIES ESTABLISHED BY THE DEPARTMENT

25. LESS CREDIT(S) APPROVED BY THE DEPARTMENT

26. TOTAL AMOUNT DUE AND PAYABLE 924.61

27. TOTAL AMOUNT REMITTED WITH RETURN

I HEREBY CERTIFY THAT THIS RETURN INCLUDING ANY ACCOMPANYING SCHEDULES AND STATEMENTS HAS BEEN EXAMINED BY ME AND TO THE BEST OF MY KNOWLEDGE AND BELIEF IS A TRUE, CORRECT AND COMPLETE RETURN.
RETURN MUST BE SIGNED

SIGNATURE OF TAXPAYER OR AUTHORIZED AGENT
TITLE PHONE NUMBER (WITH AREA CODE)
FEDERAL TAX ID NUMBER (EIN OR SSN) DATE

MAKE CHECKS PAYABLE TO:
NEVADA DEPARTMENT OF TAXATION

Revised Tax Return
TDR-001-13
Revised 04/25/12

SALES TAX EXEMPTIONS

- **Sales to or by Exempt agencies or Government entities**
- **Out-of-state sales**
- **Sales for resale**
- **Services not associated with a sale of tangible personal property**
- **Installation labor and Repair labor**



Exempt Sales – Records to Keep

- **Shipping documents**
 - > out of state sales
- **Resale Certificates**
 - > Selling to other retailers
- **Exemption letters**
 - > Nevada National Guardsmen
 - > Churches
 - > Educational Organizations
- **United States and Nevada Governments**
 - > Purchase orders
 - > Copy of Governmental credit card

RESALE CERTIFICATE

I hereby certify that I hold valid seller's permit number 1000000000 pursuant to chapters 372, 374 and 377 of the Nevada Revised Statutes; that I am engaged in the business of selling DRESSES; and that the tangible personal property described in the second paragraph of this certificate, which I purchase from: ABC DRESSES, will be resold by me in the form of tangible personal property. I further certify that in the event any of the property is used for any purpose other than retention, demonstration or display while I am holding it for sale in the regular course of business, it is understood that I am required by chapters 372, 374 and 377 of the Nevada Revised Statutes to report it and pay the tax measured by the purchase price of the property.

Description of the property to be purchased:

Dresses, BELTS

Purchaser XYZ Dresses
Address 123 Anywhere Dr
Jane Doe
Signature of Authorized Purchaser

Dated 6-20-11
at Henderson, Nevada

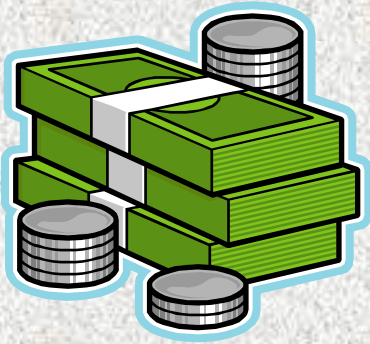
2013 Changes

- *MBT Exempt Wages change to \$85,000 from \$62,500 (SB 475)*
- *Potential Sales tax increases in Clark (SB 1 of special session) and Washoe Counties (AB 46)*
- *Food Comps and Employee Meals exempt from taxation (AB 506)*
- *Bad debts allowed for affiliated non-retailers (SB 52)*

2013 Changes *(continued)*

- *Marijuana Dispensing bill approved by Governor (SB 374)* [the Department will only administer the excise taxes on the sale of the Marijuana. The Health Division of the Department of Health and Human Services will administer the new law.]
- *Most taxes that were to sunset extended to 2015 (SB 475)*
- *Department will begin issuing Technical Bulletins on various tax issues (SB 7)*
- *Wholesale price on tobacco products other than cigarettes clarified (SB 8)*

Sales Tax



Sales/Use Tax References

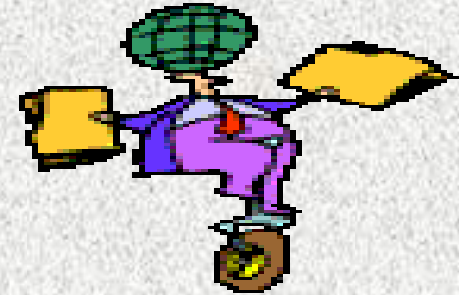
- Statutes a/k/a **NRS**
- Regulations a/k/a **NAC**
- Publications **Tax Notes**
- Other **FAQs**

For sales and use tax, references are to Chapters 372, 374, 360 and 360b

SALES TAX

Sales tax is due on the sale for retail of Tangible Personal Property which may be:

- Seen
- Weighed
- Measured
- Felt
- Touched *or is*
- In any other manner perceptible to the senses.



The sales of all tangible personal property is taxable unless specifically exempted by statute

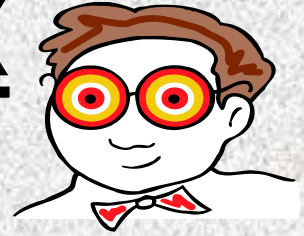
SALES TAX

What's taxable?

- Gross Receipts
- Delivery Charges (*sometimes*)
- Not All Discounts
- Tax inclusive
- Services associated with a sale



ADJUSTING SALES TAX



Sales tax included in the price of the sale

- Report the gross sales amount less the amount allocated to tax.

CALCULATION: (*Assume Clark County Sale*)

Assume: \$1,000 sale includes tax

Divide the \$1,000 by our tax rate---

$$\text{\$1,000} / 1.081$$

Report in Column A:

$$\text{\$ } 925.07$$

PROOF: $\text{\$925.07} \times 8.1\% =$

$$\text{\$ } 74.93$$

$$\text{\$925.07} + \text{\$74.93} =$$

$$\text{\$1,000.00}$$

TIPS, TOKENS, GRATUITIES

- Tips given by a customer to a server as a return for services rendered are not subject to tax.

HOWEVER

- If the Tip is mandatory (***example: large parties***) It becomes part of the TAXABLE sale



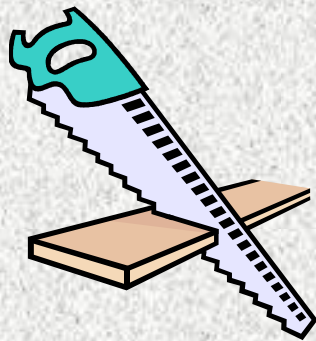
VENDING MACHINES



- If you own the vending machine:
Cannot take tax out of selling price
unless there is a sign indicating
sales tax is included *NAC 372.760 ~ NAC 372.520*
- Must have a permit
clearly visible on machine *NAC 372.500(3)*
- Must provide the Department with a list of vending machines; must update the list whenever machines are removed or placed in different locations.

FABRICATION LABOR

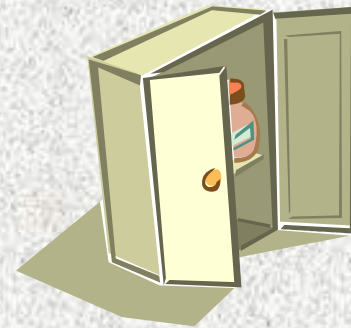
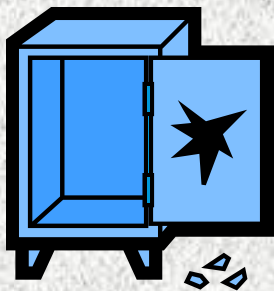
- Labor used to
.....change tangible personal property to
another form and billed in a retail sale.....



Taxable!

REFURBISH LABOR

- Labor used to refurbish an item of tangible personal property to restore or refit it for the use for which it was originally produced.....



Not Taxable!

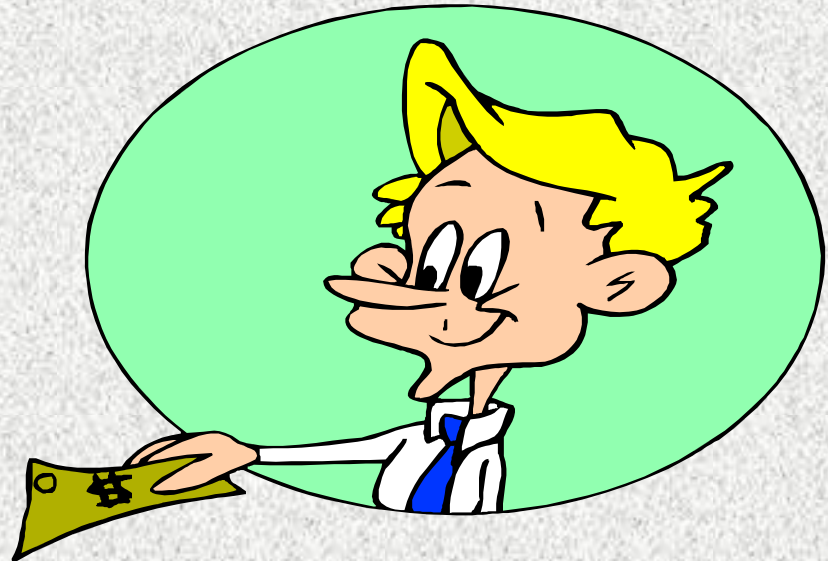
Over-collected

Sales Tax

- Return to the customer

OR

- Remit to the Department of Taxation



NAC 372.765

Absorption of Tax

- Taxpayers CANNOT advertise they will pay the sales tax (NRS 372.115)
- Taxpayers CAN state that “sales tax is included....” (NAC 372.760)
- If there is no such statement on the invoice or a sign that states that sales tax is included, then the sale is subject to taxation on the entire amount or portion that is separated out relating to tangible personal property (NAC 372.760)

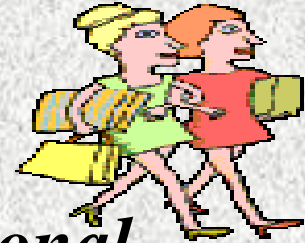
USE TAX

What is Use Tax?

Use Tax is a mirror of the sales tax, same rate. The tax is meant to 'even the competitive advantage' that out of state vendors have when selling a product without tax, when a Nevada vendor must charge the tax. The tax is due on all tangible personal property brought into this state, for storage, use or other consumption in this state, and where Nevada sales tax has not been charged.

USE TAX

Who is required to be registered?



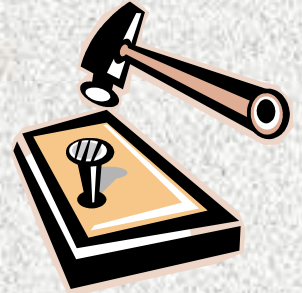
Any business who purchases tangible personal property without paying Nevada sales tax is required to be registered and report the use tax on the purchase.

Any individual who makes a large purchase without paying the tax should contact the Department to pay the tax



USE TAX

What's taxable?



- **Contractors pay use tax on the building materials they use.**
- **Internet/Catalog Sales**
- **Purchases from out of state**



CONSUMER USE TAX RETURN

NEVADA DEPARTMENT OF TAXATION

CONSUMER USE TAX RETURN

This return is for use by consumers of tangible personal property not sellers.
If you are a seller, you must apply for a Sales Tax Permit.

MAIL ORIGINAL TO:

STATE OF NEVADA - SALES/USE
PO BOX 52899
PHOENIX AZ 85072-2699

TID No:002-TX- 1000000000 001

For Department Use Only

TAXPAYER'S NAME AND ADDRESS

Return for quarter Ending 06/30/13

Due on or before 07/31/13

Date paid 08/23/13

IF POSTMARKED AFTER DUE DATE, PENALTY
AND INTEREST WILL APPLY

If the name or address as shown is incorrect, if the ownership or business location has changed, or if you are out of business, you must notify a Nevada Department of Taxation District Office immediately.

A RETURN MUST BE FILED EVEN IF NO TAX LIABILITY EXISTS

ENTER AMOUNTS IN COUNTY OF USE	AMOUNT SUBJECT TO USE TAX	TAX RATE	CALCULATED TAX
TAX CALCULATION FORMULA	COLUMN A	x COLUMN B	= COLUMN C
01 CHURCHILL		7.600%	
02 CLARK	6,237.52	8.100%	505.24
03 DOUGLAS		7.100%	
04 ELKO		6.850%	
05 ESMEERALDA		6.850%	
06 EUREKA		6.850%	
07 HUMBOLDT		6.850%	
08 LANDER		7.100%	
09 LINCOLN		7.100%	
10 LYON		7.100%	
11 MINERAL		6.850%	
12 NYE		7.100%	
13 CARSON CITY		7.475%	
14 PERSHING		7.100%	
15 STOREY		7.600%	
16 WASHOE		7.725%	
17 WHITE PINE		7.725%	
TOTAL	6,237.52		

I HEREBY CERTIFY THAT THIS RETURN INCLUDING ANY ACCOMPANYING SCHEDULE AND STATEMENTS HAS BEEN EXAMINED BY ME AND TO THE BEST OF MY KNOWLEDGE AND BELIEF IS A TRUE, CORRECT AND COMPLETE RETURN.

RETURN MUST BE SIGNED

SIGNATURE OF TAXPAYER OR AUTHORIZED AGENT

TITLE PHONE NUMBER (WITH AREA CODE)

FEDERAL TAX ID NUMBER (EIN OR SSN) DATE



18. NET USE TAX (SUM OF COLUMN C)

19. PENALTY (5% OF NET TAX)

20. INTEREST (See Instructions for correct calculation)

21. PLUS LIABILITIES ESTABLISHED BY THE DEPARTMENT

22. LESS CREDITS APPROVED BY THE DEPARTMENT

23. TOTAL AMOUNT DUE AND PAYABLE

24. TOTAL AMOUNT REMITTED WITH RETURN

18. 505.24

19. 40.42

20. 3.79

21.

22.

23. 549.45

24.

MAKE CHECKS PAYABLE TO:
NEVADA DEPARTMENT OF TAXATION

This form is a universal form that will calculate tax, interest and penalty for the appropriate periods if used on-line.

Out of state purchases

- **Materials purchased out of state for Nevada jobs are subject to Nevada tax.**
- **‘Receiving’ tangible personal property by the end user in this state, which is enroute to another state, is subject to Nevada sales tax. (NRS 360B.350)**

USE TAX

Computer Software

Taxable (NAC 372.880):

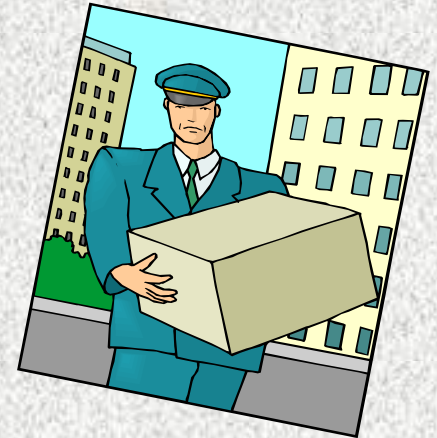
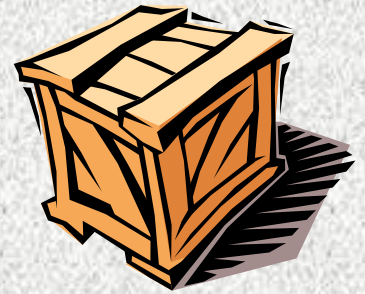
- Prewritten computer software (NRS 360B.470) (*including updates received via tangible means-C.D.s, etc.*)
- Licensing fees for Standard Prewritten programs

Not Taxable:

- Custom computer Software (*including updates/upgrades and support services*) (NAC 372.875)
- Custom programming services, separately stated (NAC 372.875)
- Delivered electronically (*or by Load and Leave*) (NRS 360B.420) (*downloaded software, digital books, ringtones, etc.*)

FREIGHT, TRANSPORTATION OR DELIVERY CHARGES

- Most charges for delivery are subject to sales and use tax
- **Effective May 22, 2009** charges for transportation, shipping or postage are no longer subject to Sales & Use Tax if they are separately stated on the invoice.
- Charges for handling, packing and crating as part of the delivery charge are taxable whether or not separately stated.



NRS 360B.290, NRS 360B.425 and NRS 360B.480

MODIFIED BUSINESS TAX

MODIFIED BUSINESS TAX

General – NRS 363B

Financial Institutions – NRS 363A

MODIFIED BUSINESS TAX

Who is required to be registered?

Any business who is required to pay a contribution for unemployment insurance

except.....

Indian Tribe

Nonprofit organization under 26 U.S.C. 501(c)

Political subdivision

NRS 363A.030

NRS 363B.030

MODIFIED BUSINESS TAX

What to report?

- ❖ *Wages taken from Employment Security Department (ESD) form NUCS 4072, line 3*

NRS 363A.130

NRS 363B.110

What to deduct?

- ❖ *Deductions for employer-paid health insurance allowed*

NRS 363A.135

NRS 363B.115

MODIFIED BUSINESS TAX

Employer-paid insurance deduction includes:

1. *Self-insured employer: all amounts paid for claims, premiums, stop-loss, if the program is a qualified employee welfare benefit plan*
2. *Premiums for a policy of health insurance for employees*
3. *Payments to a Taft-Hartley trust*

NRS 363A.135

NRS 363B.115

MODIFIED BUSINESS TAX

Employer-paid insurance deduction DOES NOT include:

1. *Amounts paid by the employee*
2. *Workmen's compensation insurance*
3. *Life insurance*
4. *Disability*

NRS 363A.135

NRS 363B.115

MODIFIED BUSINESS TAX

Categories and Rates (*EFFECTIVE 7/1/2013*)

General Business..... *NRS 363B.110*

- Taxable wages up to \$85,000 in a calendar quarter

No *tax...but a return MUST still be filed*



- Taxable wages over \$85,000 in a calendar quarter
1.17%

(Effective 7/1/2013, and expires on 6/30/2015)

Financial Institutions..... 2.00%
SB 475

MODIFIED BUSINESS TAX

NEVADA DEPARTMENT OF TAXATION	
MODIFIED BUSINESS TAX RETURN	
GENERAL BUSINESS	
Mail Original To: NEVADA DEPARTMENT OF TAXATION PO BOX 52674 PHOENIX AZ 85072-2674	
TID No:020-TX	
FOR DEPARTMENT USE ONLY	
PERIOD ENDING:	12/31/13
DUE BY:	01/31/14
DATE PAID:	01/16/14
IF POSTMARKED AFTER DUE DATE, PENALTY AND INTEREST WILL APPLY If the address as shown is incorrect, please make any corrections before mailing the return. Use the space on the left for these corrections.	
1. TOTAL GROSS WAGES (INCLUDING TIPS) PAID THIS QUARTER (Same amount as on Line 3 of ESD Form NUCS 4072)	1.
2. ENTER DEDUCTION FOR PAID HEALTH INSURANCE/HEALTH BENEFITS PLAN	2.
3. Line 1 minus Line 2	3.
4. Offset Carried Forward from Previous Quarter	4.
5. Line 3 minus Line 4	5.
6. TAXABLE WAGES (If line 5 is greater than zero enter amount here, if less than zero enter on Line 17)	6.
7. Is Amount on Line 6 greater than \$85,000?	7.
<input type="checkbox"/> No. No tax is assessed on the first \$85,000 of Taxable Wages. Enter \$0 on line 7.	
<input type="checkbox"/> Yes. No tax is assessed on the first \$85,000 of Taxable Wages. Enter \$0 on line 7.	
8. Did you answer Yes on Line 7?	
<input type="checkbox"/> No. Enter \$0 on Line 8	
<input type="checkbox"/> Yes. Subtract \$85,000 from Line 6 and enter amount on Line 8a. Multiply amount on Line 8a by 1.17% (.0117) and enter amount on Line 8.	
8a. <input type="text"/> x 0.0117	8.
9. CALCULATED TAX (Line 7 + Line 8)	9.
10. CREDITS (Overpayments as determined by the Department)	10.
11. NET TAX DUE (Line 9 minus Line 10)	11.
12. PENALTY (LINE 11 x 0%)	12.
13. INTEREST (See instructions for current rate and calculation)	13.
14. PREVIOUS DEBITS (Outstanding liabilities)	14.
15. TOTAL AMOUNT DUE (Line 11 + Line 12 + Line 13 + Line 14)	15.
16. AMOUNT PAID	16.
17. CARRY FORWARD (If Line 5 is less than zero (0) enter amount here. This Offset will be carried forward for the next quarter)	17.
MAKE CHECK PAYABLE TO NEVADA DEPT OF TAXATION - A RETURN MUST BE FILED EVEN IF NO TAX LIABILITY EXISTS	
Signature	Phone Number
Title	FEIN of Business Named Above
I hereby certify that this return, including any accompanying schedules and statements, has been examined by me and to the best of my knowledge and belief is a true, correct and complete return. THIS RETURN MUST BE SIGNED	

TXR-020.04
MODIFIED BUSINESS TAX RETURN-GENERAL BUSINESS
Revised 07/01/13

This form is a universal form that will calculate tax, interest and penalty for the appropriate periods if used on-line.

MODIFIED BUSINESS TAX

COMMON ERRORS

- ▶ Wages not same as reported to Employment Security Department
- ▶ Forgot to take health insurance deduction
- ▶ Took health care deduction for insurance not authorized by NRS 363A or NRS 363B
- ▶ Took health care deduction for portion of premium that the employee paid.
- ▶ Filing multiple returns due to new tiered rate



CANCELING YOUR ACCOUNT

Closing your account:

If you close or sell your business, you must contact the Department. You can cancel your account by

- *contacting us by phone*
- *written correspondence*
- *visiting us at one of our 4 district offices.*



However you choose to contact us, certain information will be required in order to expedite the canceling of your account and refund any security deposit or credits to which you may be entitled.

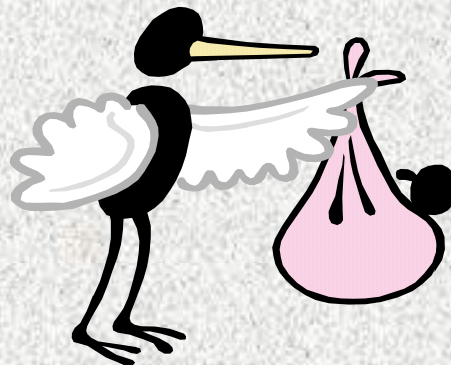
Streamlined Tax

- **Streamlined Tax is an effort to have similar tax laws throughout the country.**
- **Nevada was officially accepted as a full member on 4/1/2008. NRS 360B was added by the 2005 legislative process for this purpose.**
- **Some existing statutes under Chapter 372 of the NRS will be affected, with changes deemed to be retroactive to 2008.**

Streamlined Tax

- Bundled Transactions

- A retail sale of two or more products in which only some of the products are normally taxable, distinct and identifiable from each other BUT sold together for a single non-itemized/non-negotiable price, then.....
- It's considered BUNDLED and....
the entire bundle is subject to sales tax!



NAC 372.045

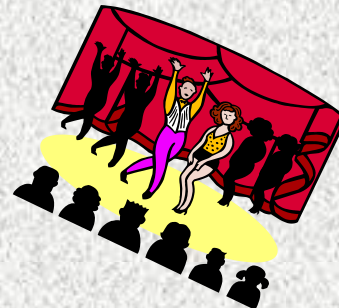
Streamlined Tax

- Bundled Transactions

- Primary reason for transaction is a sale of a service, then.....
- the transaction is NOT considered bundled AND.....



Use tax is due on the cost of the tangible personal property using the cost of the item to the retailer as the use taxable measure.



LEASES

Streamlined Tax changed leases:

- Now sales tax instead of use tax
- Re-rentals ok
- Burden on lessee
- Take no action = MUST tax on rental stream
- Leases between related parties must be at fair rental value



LIVE ENTERTAINMENT TAX

(non-gaming)



LIVE ENTERTAINMENT TAX

(Non-Gaming)

**This is a Two-Tiered Tax Rate due monthly.
No registration fee required.**

10% tax rate applicable-Seating Capacity (200-7499) (NRS 368A.200(a))

- **On admission and cover charges, food, refreshments and merchandise sales. This is in addition to applicable sales tax on food, refreshments and merchandise sold.**

5% tax rate applicable-Seating Capacity (7500 and over) (NRS 368A.200(b))









- **On admission and cover charges only for Live Entertainment taking place at a facility with maximum seating capacity of 7,500 or more.**

No tax-non-gaming facilities with a seating capacity of less than 200

LIVE ENTERTAINMENT TAX

(Non-Gaming)






Live entertainment includes the following activities provided by professional or amateur persons:

-  Live music or vocals
-  Dancing by performers
-  Acting/drama
-  Acrobatics/stunts
-  Animal Stunts
-  Athletic or sporting contests*
-  Comedy or magic shows
-  Any or all of the above

NRS 368A.090(2)(a)

LIVE ENTERTAINMENT TAX (Non-Gaming)

Live entertainment does NOT include the following activities

-  Boxing contest/exhibition governed by the **Nevada Athletic Commission** (NRS 467)
-  Provided by or for entities formed under IRS 501(c)
-  Entertainment prohibited to be taxed under other laws
-  Entertainment provided at trade shows
-  Food/product demonstrations or craft show
-  NASCAR racing events (**as of 7/1/07**)
-  Baseball event at a stadium in this state (**as of 7/1/07**)
-  Live entertainment in outdoor area with no admission

Website Information

<http://tax.nv.gov>

- **Excise Taxes** (*Tire, Liquor, Short-term Lease, tobacco, mining, etc.*)
- **2013 Legislative Tax Changes**
- **FAQ's** (+ *additional powerpoints on other tax issues*)
- **Quick Links** (*Specific tax information, updates*)
- **Links** (*Nevada home page, IRS, ESD, DMV, etc.*)

ASK THE ADVISOR

Several tax presentations are available on the Department's website.

These presentations are in the form of power-point or PDF files and can be downloaded.

*Go to the **Department website**, click on the following links:*

- *FAQ's*

- *Helpful Tax Powerpoints*

- ✓ *Select one of the presentations*

more

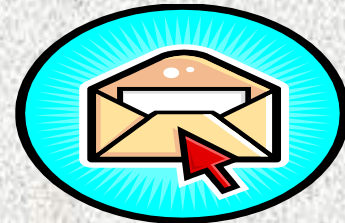
ASK THE ADVISOR

- ❖ *Basic Training*
- ❖ *Online-Filing-Registration*
- ❖ *Repairs & Delivery Charges*
- ❖ *Medical*
- ❖ *Construction*
- ❖ *Modified Business Tax*
- ❖ *Leases*
- ❖ *Other Tobacco Products*
- ❖ *The Audit Process*
- ❖ *Short term leases*
- ❖ *Automotive*

**Tax information on
specific issues
which are
available on the
Department's
website.**

Written Response

Most tax issues can be addressed by the Department of Taxation. Please be advised that any responses to inquiries made to the Department are only binding if put in writing, such as Nevada Revised Statutes, Administrative Code, Nevada Tax Notes, or in written correspondence.



DEPARTMENT OF TAXATION

Contact Information

Our offices are open Monday-Friday
8:00 AM – 5:00 PM



• Contact our **CALL CENTER** at
• 1-866-962-3707

Southern Nevada:

Grant Sawyer Office Building
555 E. Washington Avenue
Suite 1300
Las Vegas, NV 89101

OR

2550 Paseo Verde Parkway
Suite 180
Henderson, NV 89074

Carson City:

1550 College Parkway
Suite 115
Carson City, NV 89706-7937

Reno:

4600 Kietzke Lane
Building L, Suite 235
Reno, NV 89502